

The World Economic Forum Poll

Global Public Opinion

on Globalization



Results of the largest
survey ever of world-wide
public opinion on
globalization

Executive Briefing

Conducted by

Environics International Ltd.

in collaboration with

The World Economic Forum

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About the Poll Much has been said and written about globalization and the role of global companies, but what do average citizens around the world think?

- ▶ **Expectations of Globalization**
- ▶ **Conclusions & Implications**

The World Economic Forum Poll formed part of Environics' annual Global Issues Monitor survey allowing for year-on-year comparison with public views from December 2000, to show the impact of recent events on public opinion.

The results summarized in this Executive Briefing are based on research conducted between October and December 2001 by Environics' world-wide network of research institutes (listed on the back panel). In each country, face-to-face or telephone interviews were conducted with representative samples of about 1,000 citizens (for a total of 25,000). Each national poll is accurate to within ±3 percent, 19 times out of 20.

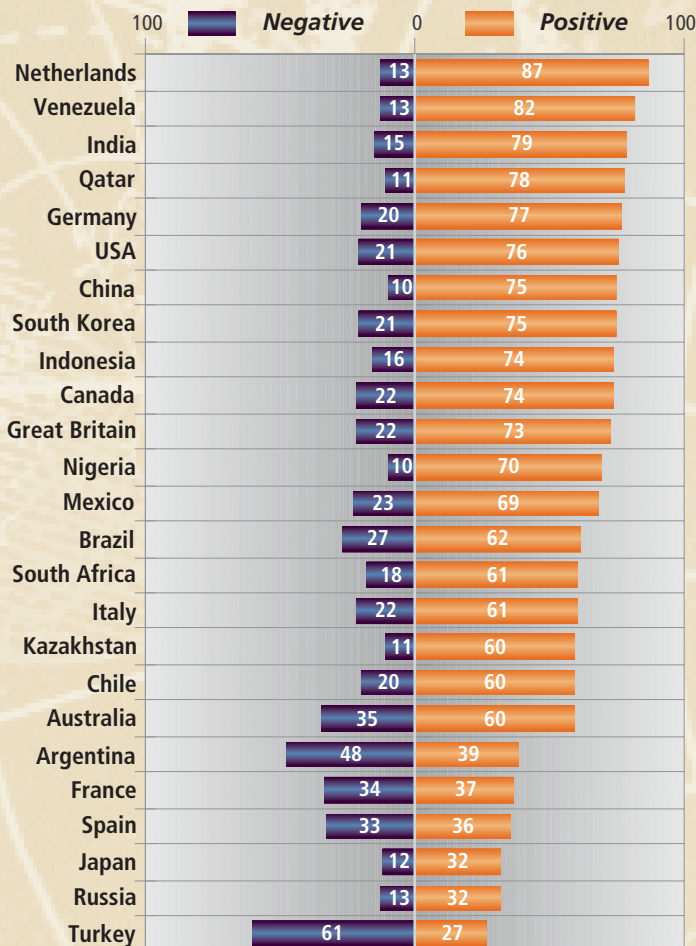
The complete results from these and other questions are available by subscription to the Global Issues Monitor 2002 report. For details, contact Environics International (coordinates on back panel).

Public Opinion Highlights Interviews with 25,000 citizens across 25 countries on six continents representing 67 percent of the world's population reveal that:

Globalization

▶ Majorities of people in 19 of 25 countries surveyed expect that more economic globalization will be positive for themselves and their families. Over six in ten citizens see globalization as positive and another one in five see it as negative. The accompanying chart provides country-specific findings.

Effects of Globalization* on Respondent and Family
Percentage Saying "Positive" vs "Negative"



▶ Positive views of globalization have grown over the past year, especially in North America and Europe. Positive views have grown by statistically significant margins in nine countries and fallen in five countries, compared to December 2000 results.

▶ There remains significant support for peaceful anti-globalization protesters. Almost one in two citizens "support people who take part in peaceful demonstrations against globalization because they are supporting my interests."

▶ Citizens, especially those in lower GDP per capita countries, have high expectations from globalization. Majorities expect improvements in eight of 15 areas surveyed, including: greater access to world markets, cheaper products, an improved cultural life, a better quality of life, improved human rights, a stronger national economy, and a higher personal income.

▶ In contrast, citizens believe that environmental quality, poverty, and the number of jobs will all worsen overall because of globalization. Except in a few developing countries, pluralities across the world believe that globalization will do more harm than good in these three important areas. Opinion is split on globalization's impact on the gap between rich and poor, world peace and stability, workers' rights, and the quality of jobs.

* Globalization was defined as increased trade between countries in goods and services, and investment.

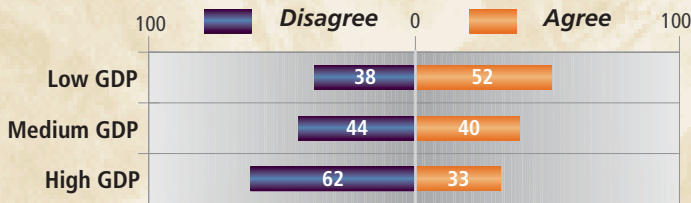
► Especially in G7 countries, most citizens do not believe that poor countries benefit as much as rich countries from free trade and globalization.

However, the opposite is true in low GDP countries.

Poor Countries Benefit as Much as Rich Countries from Free Trade and Globalization

Percentage Saying "Disagree" vs "Agree"

By GDP per Capita (n=25,000)



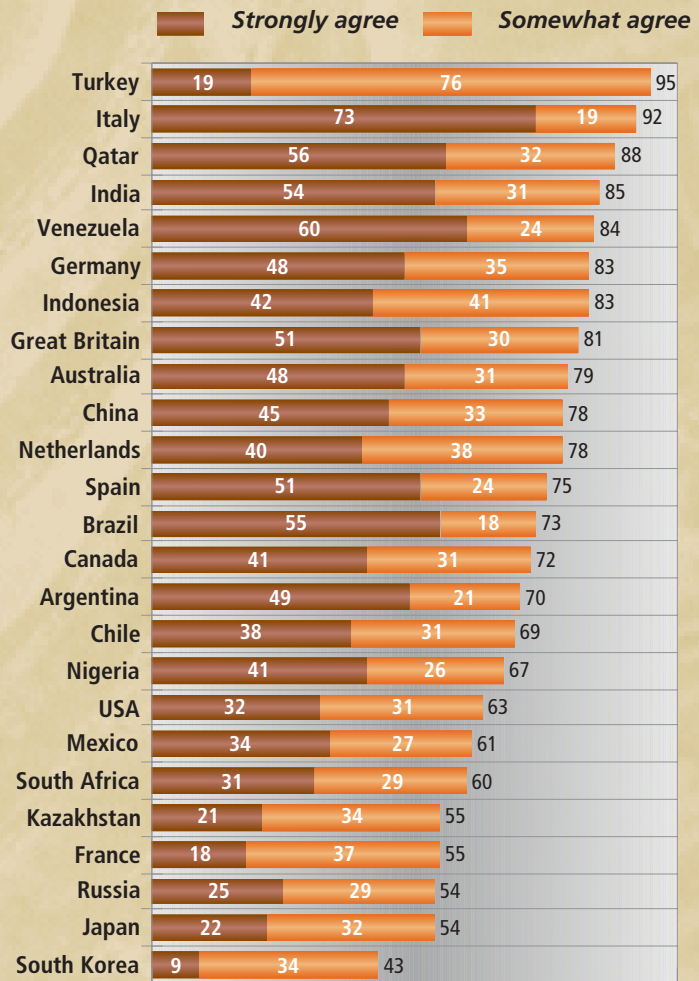
Poverty Reduction

► National governments are held most responsible for achieving poverty reduction. One in two people say national governments should be held most responsible for achieving three of the poverty reduction goals established by world leaders (i.e., universal primary education, safer drinking water, and less extreme poverty) by 2015. Another one in four choose international bodies like the UN and World Bank, especially in G7 countries.

► Citizens across the world express strong willingness to pay to help improve the lives of the world's poor. Over seven in ten citizens say that they would support paying 1 percent higher taxes if they were sure it would be spent on improving the lives of the world's poor. Of these, fully four in ten strongly support such a tax.

► Most citizens recognize the role economic growth and capacity building play in effectively addressing problems in the developing world. Asked to choose the best way to improve environmental protection and worker rights in developing countries, most citizens point to increasing economic growth or providing technical and financial assistance to help developing country governments set and enforce regulations. Another one in five, especially in G7 countries, choose "increasing international supervision and laws to achieve common standards."

Willingness to Pay 1% More in Taxes to Help World's Poor "Strongly agree" and "Somewhat agree"



Role of Companies

► Citizens are cautious about large companies, wanting an active counterbalancing role for governments and consumers. Fully two-thirds of citizens across the 25 countries agree that "the free market economy works best in society's interest when accompanied by strong government regulations." When asked to choose the most effective approach to increasing the social responsibility of global companies, almost one in two choose either national or international laws and one in four choose "informing consumers about company practices and letting them decide which companies to buy from."

► Expectations of large companies are very high when it comes to their social contribution. Almost eight in ten citizens worldwide say they want global companies to not only cover basic medical attention for their workers, but also to extend these benefits for all residents in poor communities where they operate.

Expectations of Globalization

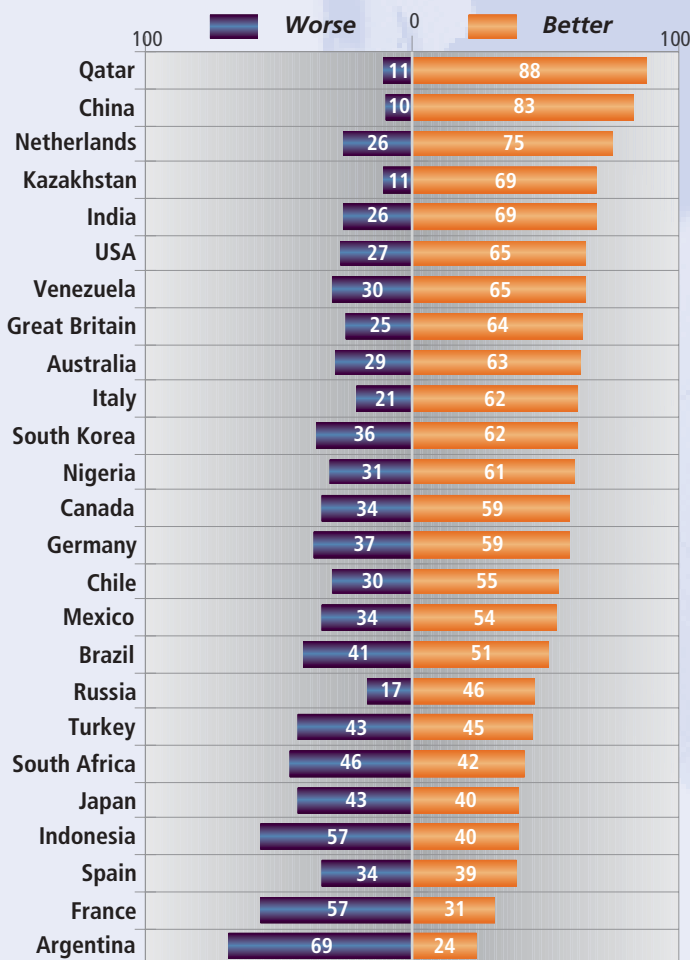
To better understand public perceptions of what globalization does or does not deliver, the survey asked people how they expect it will affect a wide variety of factors.

As the chart at the right shows, a majority of citizens across the 25 countries surveyed expect that globalization will have positive effects in eight of the 15 factors explored, and pluralities expect benefits in a further four areas. However, citizens believe globalization will have more negative than positive impacts on the number of jobs in their country as well as on global poverty and environmental quality.

While people are mainly positive about globalization's impact on the economy of their country, large numbers believe it will have a negative impact on the number of jobs in their country. The country-by-country results for these two economic factors, in the two charts below, illustrate a general finding that people in low GDP countries have higher expectations of globalization than those in wealthier countries.

Will the Economy of our Country Get Better or Worse Because of Globalization?

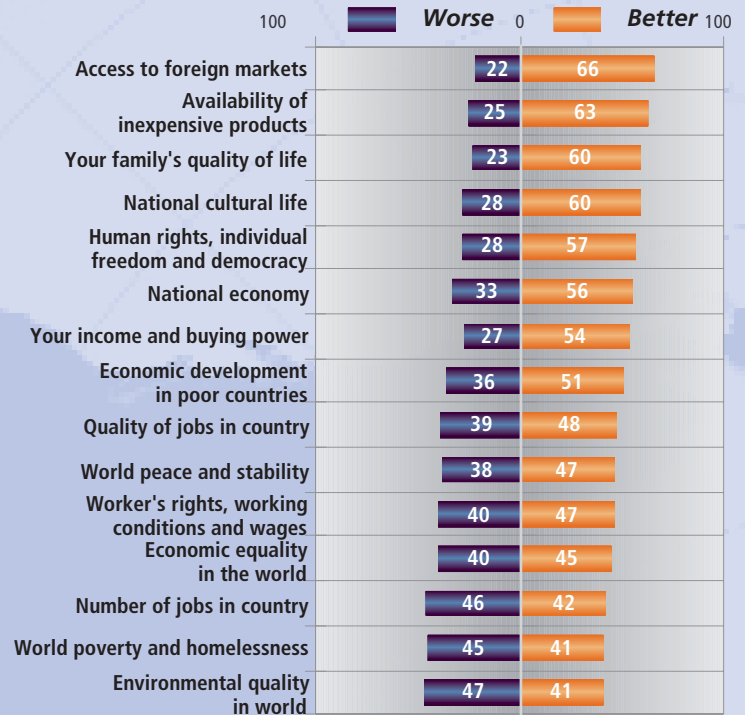
Percentage Saying "Better" vs "Worse"



Effect of Globalization on...

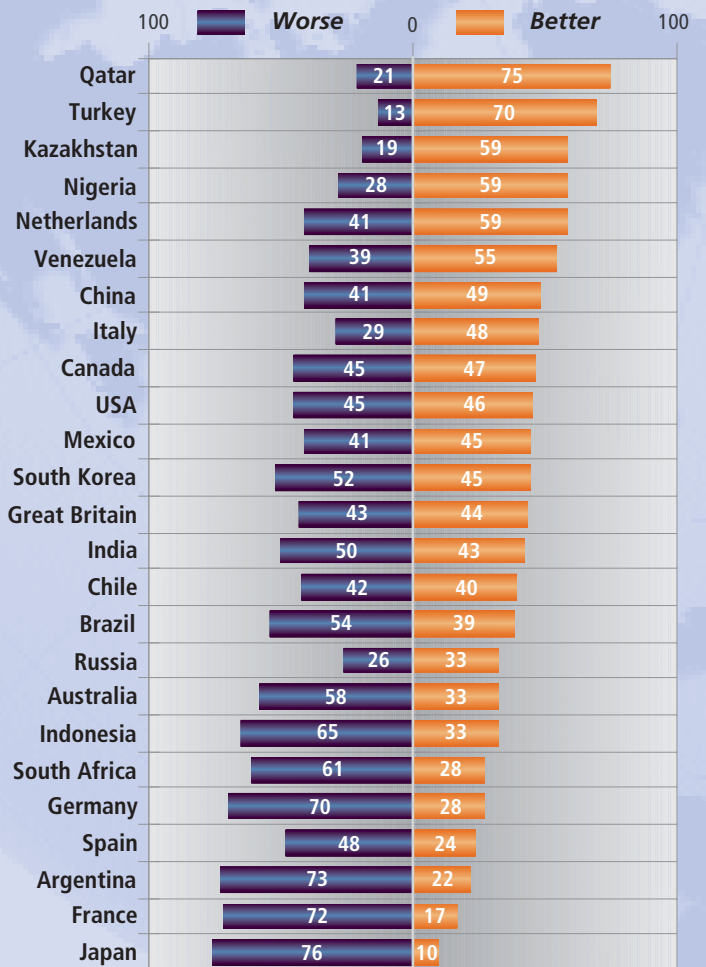
Percentage Saying "Better" vs "Worse"

Average of 25 Countries Surveyed (n=25,000)



Will the Number of Jobs in our Country Get Better or Worse Because of Globalization?

Percentage Saying "Better" vs "Worse"



Conclusions & Implications

Globalization

▶ **Globalization has emerged in the post-September 11th period with a strengthened popular mandate in many “Group of 20” countries.** Year-on-year increases in positive views of globalization are likely due to the unity of purpose and success of the coordinated global action against terrorism.

▶ **Views on globalization are likely to remain volatile.** Fully 13 percent of respondents changed their views on globalization through the course of the survey (with equal numbers shifting positive and negative). This, together with the fact that few feel strongly positive or strongly negative about globalization, suggests the public is still coming to judgement on the topic.

▶ **The globalization agenda will be challenged to satisfy citizens in developing countries.** These citizens have high expectations, including gaining greater access to world markets for their exports, a critical challenge for the WTO’s Doha Trade Round. It may also be difficult to deliver expected improvements to personal incomes and job creation.

▶ **Anti-globalization critics will have opportunities to make gains given negative perceptions about globalization’s impact on jobs, poverty, and the environment.** Without high-profile initiatives on these powerful public concerns, resistance to globalization may grow to damaging proportions.

▶ **Leaders may well be advised to speak in more qualitative terms about globalization’s impact on enriching human lives.** The data suggest that perceived impacts of globalization on personal quality of life, culture, and income, as well as on human rights, will most drive popular support or opposition for globalization.

Leadership Opportunities

▶ **Leaders have an unparalleled opportunity to address poverty in developing countries.** Citizens see poverty reduction as critical to a more secure world, and not only support the UN Millennium Summit’s poverty reduction goals, but are willing to pay to ensure these goals are achieved by 2015.

▶ **Successful action on jobs, poverty, and the environment is needed to solidify support for globalization.** Fortunately, this year’s international agenda presents leaders with excellent opportunities to tackle the major challenges, beginning with the World Economic Forum’s Annual Meeting in New York, the Financing for Development Conference in Mexico, the Johannesburg Earth Summit, as well as the WTO’s Doha Trade Round negotiations.

▶ **It is a time for leadership and effective governance.** High public expectations call upon leaders in every sector to collectively demonstrate the potential for good that is embodied in globalization. National governments are expected to demonstrate effective governance and deliver on-the-ground solutions.

▶ **Business is being challenged to be part of social and environmental solutions, in addition to economic ones.** The challenge for business is finding appropriate ways in which to “weigh in.” Companies can play a vital role by helping build government and community capacity in developing countries. Appropriate involvement can help global companies reduce distrust of their motives, gain brand equity, and advance positive views of globalization.

THE WORLD ECONOMIC FORUM POLL GLOBAL PUBLIC OPINION ON GLOBALIZATION



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The World Economic Forum, based in Geneva, Switzerland, is an independent organization committed to improving the state of the world. Funded by the contributions of 1,000 of the world's foremost corporations, the Forum acts in the spirit of entrepreneurship in the global public interest to further economic growth and social progress. The Forum serves its members and society by creating partnerships between and among business, political, intellectual and other leaders of society to define, discuss and advance key issues on the global agenda.

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Established in 1987, it specializes in providing continuous tracking, insights, and strategic counsel on global issues to multinational companies, national governments, multilateral agencies, and non-governmental organizations.

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